
LOS ANGELES CITY ETHICS COMMISSION
N E W S
...preserving the public trust

For Immediate Release: August 26, 2015

Contact: Lisa Ishimaru (213) 978-1960

ETHICS COMMISSION IMPOSES FINES
TOTALING OVER \$145,000

At its meeting today, the Ethics Commission unanimously approved stipulated orders in two separate enforcement cases, imposing fines totaling \$145,698.

In one case, Moo Han Bae (Bae) was fined \$54,150 for political money laundering. Bae made nine contributions under assumed names to Wendy Greuel's 2013 mayoral campaign and also exceeded the per-person contribution limit. A joint investigation conducted by the Ethics Commission and the Fair Political Practices Commission (FPPC) found evidence that Bae promised to, and did, reimburse nine individuals who contributed to Greuel's campaign under their own names. The sum of Bae's own individual contribution and the nine reimbursed contributions totaled \$11,850, exceeding the \$1,300 per-person limit on contributions made to a single Citywide candidate in a single 2013 election. As part of a joint settlement agreement, Bae also agreed to pay a \$22,500 penalty to the FPPC for the reimbursed contributions. The two penalties combined represent the maximum penalty under City law.

"We are extremely pleased to be able to work in tandem with our colleagues in the Los Angeles Ethics Commission to uncover these violations," said FPPC Enforcement Chief Galena West. "This collaboration shows we take these violations seriously and together we'll defend the public's right to know the true source of funding in any campaign."

In the second case, respondents Robert Cole, Jr., and his campaign committee, Robert Cole for City Council 2015 ("Committee"), were fined \$91,548 for filing a fraudulent request for public matching funds during the 2015 primary election. Cole and his Committee submitted a request for matching funds, falsely claiming receipt of \$30,516 in qualified contributions, and requesting \$61,032 in public funds. The Commission's audit staff identified anomalies when processing the request, and its enforcement staff initiated an investigation. The investigation revealed that the large majority of the alleged contributors had never contributed to the Committee. At least five of the individuals identified in Cole's request were deceased at the time of their alleged contributions, and several other alleged contributors resided outside of California.

"The Ethics Commission is the steward of the City's public matching funds program," said Director of Enforcement Sergio Perez. "The maximum penalty assessed in this case should serve as a strong message to those who would otherwise attempt to defraud the public. If you try to obtain matching funds improperly, we will respond with the full force of the law."

All fines imposed by the Ethics Commission are paid to the City's general fund. Copies of enforcement actions and related decisions and orders are available at ethics.lacity.org.

The Ethics Commission was created by Los Angeles voters in 1990 to impartially administer and enforce the City's governmental ethics, campaign financing, and lobbying laws.